

**ND PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2006**

	September-06					August-06				July-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter	Month	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Month	Fiscal YTD	FY06	Ended	Ended
				Net ROR	Net ROR											6/30/2006	6/30/2006
																Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																	
<i>Structured Growth</i>																	
LA Capital	76,028,668	4.5%	4.5%	1.81%	3.29%	71,777,419	4.3%	4.5%	2.15%	70,304,743	4.3%	4.5%	-3.51%	1.81%	11.88%	N/A	N/A
<b>Total Structured Growth</b>	<b>76,028,668</b>	<b>4.5%</b>	<b>4.5%</b>	<b>1.81%</b>	<b>3.29%</b>	<b>71,777,419</b>	<b>4.3%</b>	<b>4.5%</b>	<b>2.15%</b>	<b>70,304,743</b>	<b>4.3%</b>	<b>4.5%</b>	<b>-3.51%</b>	<b>1.81%</b>	<b>11.88%</b>	<b>12.99%</b>	<b>0.19%</b>
Russell 1000 Growth				3.94%	2.75%				3.12%				-1.90%	3.94%	6.12%	8.34%	-0.77%
<i>Structured Value</i>																	
LSV	78,006,866	4.6%	4.5%	4.48%	1.77%	77,075,615	4.6%	4.5%	0.85%	76,480,012	4.7%	4.5%	1.80%	4.48%	15.93%	21.06%	12.29%
Russell 1000 Value				6.22%	1.99%				1.67%				2.43%	6.22%	12.10%	15.70%	6.89%
<i>Enhanced Russell 1000 Index</i>																	
LA Capital	72,791,324	4.3%	4.2%	3.51%	2.92%	93,363,313	5.6%	5.7%	1.74%	91,813,327	5.6%	5.7%	-1.15%	3.51%	12.49%	12.73%	3.75%
Russell 1000				5.06%	2.37%				2.40%				0.22%	5.06%	9.08%	12.05%	3.12%
<i>Enhanced S&amp;P 500 Index</i>																	
Northern Trust	74,282,801	4.4%	4.2%	6.56%	3.07%	96,979,798	5.8%	5.7%	2.55%	94,583,477	5.8%	5.7%	0.81%	6.56%	9.33%	11.32%	2.81%
Westridge	83,057,810	4.9%	4.5%	5.68%	2.54%	100,965,997	6.1%	4.5%	2.42%	98,633,430	6.0%	4.5%	0.64%	5.68%	8.80%	11.46%	2.80%
Wells Capital	47,492,021	2.8%	3.0%	1.21%	-0.18%	47,776,361	2.9%	3.0%	1.43%	47,078,655	2.9%	3.0%	-0.05%	1.21%	N/A	N/A	N/A
Franklin	49,936,543	3.0%	3.0%	N/A	1.60%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<b>Total Enhanced S&amp;P 500 Index</b>	<b>254,769,175</b>	<b>12.2%</b>	<b>11.7%</b>	<b>5.15%</b>	<b>2.22%</b>	<b>245,722,155</b>	<b>14.8%</b>	<b>13.2%</b>	<b>2.28%</b>	<b>240,295,562</b>	<b>14.7%</b>	<b>13.2%</b>	<b>0.57%</b>	<b>5.15%</b>	<b>8.58%</b>	<b>11.40%</b>	<b>2.76%</b>
S&P 500				5.67%	2.58%				2.38%				0.62%	5.67%	8.63%	11.22%	2.49%
<i>S&amp;P 500 Index</i>																	
State Street	33,104,293	2.0%	2.1%	5.79%	2.77%	32,081,600	1.9%	2.1%	2.07%	31,432,364	1.9%	2.1%	0.86%	5.79%	9.62%	11.55%	2.70%
S&P 500				5.67%	2.58%				2.38%				0.62%	5.67%	8.63%	11.22%	2.49%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>514,700,326</b>	<b>30.5%</b>	<b>30.0%</b>	<b>4.32%</b>	<b>2.47%</b>	<b>520,020,102</b>	<b>31.3%</b>	<b>30.0%</b>	<b>1.94%</b>	<b>510,326,008</b>	<b>31.2%</b>	<b>30.0%</b>	<b>-0.13%</b>	<b>4.32%</b>	<b>10.93%</b>	<b>13.21%</b>	<b>3.86%</b>
S&P 500				5.67%	2.58%				2.38%				0.62%	5.67%	8.63%	11.22%	2.49%
<b>SMALL CAP DOMESTIC EQUITY</b>																	
<i>Manager-of-Managers</i>																	
SEI	122,051,469	7.2%	7.2%	-0.01%	1.39%	111,818,521	6.7%	7.2%	2.29%	109,349,004	6.7%	7.2%	-3.59%	-0.01%	13.56%	18.31%	8.00%
Russell 2000 + 200bp				0.94%	1.00%				3.13%				-3.09%	0.94%	16.86%	21.06%	10.71%
Callan	47,380,277	2.8%	2.8%	-0.91%	1.02%	43,460,730	2.6%	2.8%	2.38%	42,433,236	2.6%	2.8%	-4.20%	-0.91%	N/A	N/A	N/A
Russell 2000				0.44%	0.83%				2.96%				-3.25%	0.44%			
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>169,431,746</b>	<b>10.1%</b>	<b>10.0%</b>	<b>-0.27%</b>	<b>1.29%</b>	<b>155,279,251</b>	<b>9.3%</b>	<b>10.0%</b>	<b>2.32%</b>	<b>151,782,240</b>	<b>9.3%</b>	<b>10.0%</b>	<b>-3.76%</b>	<b>-0.27%</b>	<b>13.40%</b>	<b>18.25%</b>	<b>7.97%</b>
Russell 2000				0.44%	0.83%				2.96%				-3.25%	0.44%	14.58%	18.70%	8.50%
<b>INTERNATIONAL EQUITY</b>																	
<i>Large Cap - Core</i>																	
State Street	16,928,751	1.0%	1.0%	3.40%	-0.39%	17,016,093	1.0%	1.0%	2.71%	16,560,869	1.0%	1.0%	1.07%	3.40%	27.85%	20.61%	6.87%
MSCI EAFE (1)				3.93%	0.15%				2.75%				0.99%	3.93%	26.56%	20.76%	5.94%
<i>Large Cap - Active</i>																	
Capital Guardian	50,938,271	3.0%	3.0%	4.95%	0.62%	50,602,194	3.0%	3.0%	3.52%	48,924,325	3.0%	3.0%	0.76%	4.95%	28.01%	21.32%	6.58%
LSV	50,160,425	3.0%	3.0%	5.93%	1.82%	49,242,665	3.0%	3.0%	2.92%	47,887,731	2.9%	3.0%	1.09%	5.93%	27.77%	N/A	N/A
Bank of Ireland	16,614,218	1.0%	1.0%	3.02%	-1.72%	16,894,247	1.0%	1.0%	4.37%	16,207,764	1.0%	1.0%	0.44%	3.02%	22.00%	19.16%	N/A
<b>Total Large Cap - Active</b>	<b>117,712,914</b>	<b>7.0%</b>	<b>7.0%</b>	<b>5.09%</b>	<b>0.79%</b>	<b>116,739,106</b>	<b>7.0%</b>	<b>7.0%</b>	<b>3.39%</b>	<b>113,019,820</b>	<b>6.9%</b>	<b>7.0%</b>	<b>0.85%</b>	<b>5.09%</b>	<b>27.11%</b>	<b>21.84%</b>	<b>7.14%</b>
MSCI EAFE - 50% Hedged				4.87%	0.90%				2.93%				0.98%	4.87%	26.72%	22.56%	6.89%
<i>Small Cap - Active</i>																	
Lazard	16,170,109	1.0%	1.0%	1.38%	0.65%	16,054,542	1.0%	1.0%	2.97%	15,611,024	1.0%	1.0%	-2.17%	1.38%	25.04%	29.34%	N/A
Wellington	16,186,523	1.0%	1.0%	3.21%	0.64%	16,071,131	1.0%	1.0%	2.31%	15,734,621	1.0%	1.0%	0.23%	3.21%	23.35%	25.26%	N/A
<b>Total Small Cap - Active</b>	<b>32,356,632</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.29%</b>	<b>0.64%</b>	<b>32,125,673</b>	<b>1.9%</b>	<b>2.0%</b>	<b>2.64%</b>	<b>31,345,645</b>	<b>1.9%</b>	<b>2.0%</b>	<b>-0.98%</b>	<b>2.29%</b>	<b>24.18%</b>	<b>27.28%</b>	<b>N/A</b>
Citigroup Broad Market Index < \$2BN				1.55%	0.70%				2.90%				-2.00%	1.55%	29.21%	32.38%	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>166,998,297</b>	<b>9.9%</b>	<b>10.0%</b>	<b>4.36%</b>	<b>0.64%</b>	<b>165,880,872</b>	<b>10.0%</b>	<b>10.0%</b>	<b>3.17%</b>	<b>160,926,334</b>	<b>9.8%</b>	<b>10.0%</b>	<b>0.51%</b>	<b>4.36%</b>	<b>26.61%</b>	<b>22.77%</b>	<b>8.74%</b>
MSCI EAFE - 50% Hedged				4.87%	0.90%				2.93%				0.98%	4.87%	26.72%	22.56%	6.89%
<b>EMERGING MARKETS EQUITY</b>																	
<i>Core</i>																	
JP Morgan	15,887,174	0.9%	0.9%	7.76%	2.19%	15,538,005	0.9%	0.9%	3.63%	15,048,065	0.9%	0.9%	1.75%	7.76%	N/A	N/A	N/A
PanAgora	13,403,508	0.8%	0.0%	4.96%	0.46%	13,337,306	0.8%	0.0%	2.26%	13,037,011	0.8%	0.0%	2.17%	4.96%	N/A	N/A	N/A
WestLB	13,586,095	0.8%	0.0%	2.94%	0.26%	13,545,576	0.8%	0.0%	1.18%	13,382,589	0.8%	0.0%	1.47%	2.94%	N/A	N/A	N/A
UBS	24,207,038	1.4%	1.5%	4.67%	0.59%	24,048,876	1.4%	1.5%	2.30%	23,492,040	1.4%	1.5%	1.71%	4.67%	N/A	N/A	N/A
<b>Total Core</b>	<b>67,083,815</b>	<b>4.0%</b>	<b>4.9%</b>	<b>5.09%</b>	<b>0.87%</b>	<b>66,469,762</b>	<b>4.0%</b>	<b>4.9%</b>	<b>2.37%</b>	<b>64,959,705</b>	<b>4.0%</b>	<b>4.9%</b>	<b>1.77%</b>	<b>5.09%</b>	<b>35.59%</b>	<b>32.44%</b>	<b>18.61%</b>
MSCI Emerging Markets				5.01%	0.84%				2.60%				1.50%	5.01%	35.91%	22.39%	12.89%
<i>Small Cap</i>																	
DFA	15,002,942	0.9%	1.0%	8.53%	2.69%	14,598,793	0.9%	1.0%	3.39%	14,108,642	0.9%	1.0%	2.22%	8.53%	N/A	N/A	N/A
MSCI Emerging Markets				5.01%	0.84%				2.60%				1.50%	5.01%			
<b>TOTAL EMERGING MARKETS EQUITY</b>	<b>82,086,757</b>	<b>4.9%</b>	<b>5.0%</b>	<b>5.71%</b>	<b>1.20%</b>	<b>81,068,555</b>	<b>4.9%</b>	<b>5.0%</b>	<b>2.55%</b>	<b>79,068,347</b>	<b>4.8%</b>	<b>5.0%</b>	<b>1.85%</b>	<b>5.71%</b>	<b>34.40%</b>	<b>32.05%</b>	<b>18.40%</b>
MSCI Emerging Markets				5.01%	0.84%				2.60%				1.50%	5.01%	35.91%	34.76%	21.54%
<b>DOMESTIC FIXED INCOME</b>																	
<i>Core Bond</i>																	
Western Asset	49,643,643	2.9%	2.9%	4.29%	0.81%	45,709,281	2.7%	2.9%	1.81%	44,907,666	2.7%	2.9%	1.60%	4.29%	-1.15%	2.65%	5.96%
Lehman Aggregate				3.81%	0.88%				1.53%				1.35%	3.81%	-0.81%	2.05%	4.97%
<i>Index</i>																	
Bank of ND	91,983,054	5.5%	6.0%	3.77%	0.94%	89,911,925	5.4%	6.0%	1.54%	88,552,794	5.4%	6.0%	1.24%	3.77%	-1.37%	1.53%	5.24%
<b>Total Index</b>	<b>91,983,054</b>	<b>5.5%</b>	<b>6.0%</b>	<b>3.77%</b>	<b>0.94%</b>	<b>89,911,925</b>	<b>5.4%</b>	<b>6.0%</b>	<b>1.54%</b>	<b>88,552,794</b>	<b>5.4%</b>	<b>6.0%</b>	<b>1.24%</b>	<b>3.77%</b>	<b>-0.69%</b>	<b>2.10%</b>	<b>5.27%</b>
Lehman Gov/Credit				3.91%	0.98%				1.58%				1.30%	3.91%	-1.52%	1.60%	5.13%
<i>Convertibles</i>																	
TCW (2)	43,142,529	2.6%	2.9%	2.85%	1.45%	41,991,349	2.5%	2.9%	2.08%	41,165,486	2.5%	2.9%	-0.69%	2.85%	4.54%	6.78%	1.15%
Merrill Lynch All Convertibles (3)				2.79%	1.19%				1.05%				0.23%	2.79%	9.37%	8.01%	4.94%

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	September-06					August-06				July-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Quarter	Month		Market Value	Allocation	Month		Market Value	Allocation	Month		Fiscal YTD	FY06	Ended	Ended
		Actual	Policy	Net ROR	Net ROR		Actual	Policy	Net ROR		Actual	Policy	Net ROR	Net ROR	Net ROR	Net	Net
<b>BBB Average Quality</b>																	
Wells Capital	49,504,586	2.9%	2.9%	4.58%	1.04%	44,959,381	2.7%	2.9%	1.95%	44,104,360	2.7%	2.9%	1.52%	4.58%	-2.70%	3.36%	5.51%
Lehman BBB		4.80%	1.13%						2.02%				1.58%	4.80%	-2.37%	2.39%	6.10%
<b>Private Debt</b>																	
Prudential	49,653,160	2.9%	2.9%	3.84%	0.92%	45,675,035	2.7%	2.9%	1.53%	45,003,495	2.7%	2.9%	1.34%	3.84%	-0.13%	N/A	N/A
Lehman Aggregate				3.81%	0.88%				1.53%				1.35%	3.81%	-0.81%	N/A	N/A
<b>Timberland</b>																	
TIR - Teredo (4)	35,326,377	2.1%	2.1%	-0.19%	-0.06%	34,859,510	2.1%	2.1%	-0.06%	34,859,510	2.1%	2.1%	-0.06%	-0.19%	-1.44%	7.62%	N/A
TIR - Springbank	74,002,709	4.4%	4.4%	-0.06%	-0.03%	73,024,705	4.4%	4.4%	-0.03%	73,038,179	4.5%	4.5%	-0.01%	-0.06%	13.53%	N/A	N/A
<b>Total Timberland</b>	109,329,086	6.5%	6.5%	-0.10%	-0.04%	107,884,215	6.5%	6.5%	-0.04%	107,897,690	6.6%	6.6%	-0.02%	-0.10%	9.43%	20.37%	N/A
NCREIF Timberland Index				3.49%	1.15%				1.15%				1.15%	3.49%	19.69%	13.94%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	393,256,057	23.3%	24.0%	2.67%	0.71%	376,131,185	22.6%	24.0%	1.22%	371,631,491	22.7%	24.0%	0.72%	2.67%	3.12%	8.91%	8.14%
Lehman Aggregate				3.81%	0.88%				1.53%				1.35%	3.81%	-0.81%	2.05%	4.97%
<b>HIGH YIELD BONDS</b>																	
<b>Core</b>																	
Loomis Sayles	41,871,374	2.5%	2.5%	4.85%	1.65%	41,174,674	2.5%	2.5%	1.77%	40,491,123	2.5%	2.5%	1.35%	4.85%	4.74%	N/A	N/A
Sutter/Wells Capital	41,216,490	2.4%	2.5%	2.84%	0.88%	40,838,804	2.5%	2.5%	0.75%	40,578,119	2.5%	2.5%	1.19%	2.84%	4.70%	N/A	N/A
<b>Total Core</b>	83,087,864	4.9%	5.0%	3.84%	1.27%	82,013,478	4.9%	5.0%	1.26%	81,069,242	5.0%	5.0%	1.27%	3.84%	4.72%	5.70%	3.38%
LB High Yield 2% Issuer Constrained Index				3.76%	1.38%				1.48%				0.86%	3.76%	4.38%	N/A	N/A
<b>Mezzanine Debt</b>																	
Goldman Sachs	595,221	0.0%	0.0%	0.00%	0.00%	396,567	0.0%	0.0%	0.00%	396,567	0.0%	0.0%	0.00%	0.00%	N/A	N/A	N/A
<b>TOTAL HIGH YIELD BONDS</b>	83,683,085	5.0%	5.0%	3.82%	1.26%	82,410,045	5.0%	5.0%	1.25%	81,465,809	5.0%	5.0%	1.26%	3.82%	4.72%	8.34%	7.47%
LB High Yield 2% Issuer Constrained Index				3.76%	1.38%				1.48%				0.86%	3.76%	4.38%	8.48%	8.60%
<b>INTERNATIONAL FIXED INCOME</b>																	
<b>International Sovereign</b>																	
UBS Global (Brinson)	41,533,189	2.5%	2.5%	-0.15%	-0.63%	41,784,038	2.5%	2.5%	0.05%	41,752,012	2.6%	2.5%	0.43%	-0.15%	0.13%	5.24%	9.99%
Citigroup Non-US Gov't Bond Index (5)				0.89%	-0.59%				0.79%				0.69%	0.89%	-0.11%	5.01%	9.58%
<b>International Core</b>																	
Brandywine	42,568,863	2.5%	2.5%	1.93%	-0.27%	42,668,302	2.6%	2.5%	0.68%	42,406,569	2.6%	2.5%	1.51%	1.93%	3.89%	8.39%	N/A
Lehman Global Aggregate (ex-US)				1.13%	-0.56%				0.92%				0.77%	1.13%	3.83%	5.69%	N/A
<b>TOTAL INTERNATIONAL FIXED INCOME</b>	84,102,052	5.0%	5.0%	0.89%	-0.45%	84,452,340	5.1%	5.0%	0.37%	84,158,581	5.1%	5.0%	0.97%	0.89%	2.01%	6.82%	10.91%
Citigroup Non-US Gov't Bond Index (5)				0.89%	-0.59%				0.79%				0.69%	0.89%	0.00%	5.05%	9.60%
<b>REAL ESTATE</b>																	
INVESCO	46,727,672			1.55%	0.11%	45,613,366			1.43%	46,204,470			0.00%	1.55%	23.84%	17.33%	12.38%
J.P. Morgan Strategic & Special Funds	47,237,291			4.36%	1.41%	46,581,935			1.59%	45,852,911			1.31%	4.36%	21.05%	17.14%	12.52%
J.P. Morgan Alternative Property Fund	10,348,395			-2.82%	-0.80%	10,348,395			-0.80%	10,348,395			-1.25%	-2.82%	N/A	N/A	N/A
<b>TOTAL REAL ESTATE</b>	104,313,358	6.2%	5.0%	2.40%	0.61%	102,543,696	6.2%	5.0%	1.28%	102,405,776	6.3%	5.0%	0.50%	2.40%	22.09%	17.09%	12.36%
NCREIF TOTAL INDEX				4.01%	1.32%				1.32%				1.32%	4.01%	18.22%	15.63%	12.19%
<b>ALTERNATIVE INVESTMENTS</b>																	
Brinson IVCF II	60,623			0.00%	0.00%	60,623			0.00%	60,623			0.00%	0.00%	22.67%	13.90%	-0.56%
Coral Partners II	100,201			0.13%	0.00%	100,201			0.00%	100,201			0.13%	0.13%	3.74%	6.19%	-9.24%
Coral Partners V	4,819,043			-0.31%	0.00%	4,827,690			0.00%	4,826,992			-0.31%	-0.31%	8.74%	-15.32%	-24.06%
Coral Partners V - Supplemental	437,582			-0.70%	0.00%	438,367			0.00%	438,304			-0.70%	-0.70%	10.53%	10.33%	N/A
Coral Partners VI	7,402,568			-0.08%	0.00%	6,799,437			0.00%	6,798,454			-0.08%	-0.08%	-6.22%	-10.14%	N/A
Brinson 1998 Partnership Fund	1,014,299			4.03%	4.03%	1,295,378			0.00%	1,295,191			0.00%	4.03%	16.52%	15.11%	1.97%
Brinson 1999 Partnership Fund	2,517,191			8.99%	8.99%	2,313,651			0.00%	2,313,317			0.00%	8.99%	14.27%	12.72%	-1.26%
Brinson 2000 Partnership Fund	5,880,294			4.86%	6.27%	5,543,060			-1.31%	6,842,555			-0.01%	4.86%	28.22%	17.90%	3.70%
Brinson 2001 Partnership Fund	4,187,319			8.12%	8.12%	3,879,820			0.00%	3,879,259			0.00%	8.12%	19.85%	9.95%	3.22%
Brinson 2002 Partnership Fund	2,487,580			9.58%	6.78%	2,333,784			2.62%	2,613,775			0.00%	9.58%	32.42%	13.22%	N/A
Brinson 2003 Partnership Fund	651,503			3.05%	3.05%	633,371			0.00%	633,279			0.00%	3.05%	25.48%	6.77%	N/A
Brinson 1999 Non-US Partnership Fund	945,208			16.69%	0.00%	946,904			16.69%	1,183,766			0.00%	16.69%	40.48%	30.98%	18.60%
Brinson 2000 Non-US Partnership Fund	1,654,271			26.11%	0.00%	1,657,239			23.78%	1,338,717			1.88%	26.11%	35.03%	21.65%	13.01%
Brinson 2001 Non-US Partnership Fund	2,081,264			7.27%	0.00%	2,084,998			7.27%	1,943,395			0.00%	7.27%	27.25%	17.46%	8.96%
Brinson 2002 Non-US Partnership Fund	2,795,879			17.05%	0.00%	2,800,896			17.05%	2,703,214			0.00%	17.05%	38.11%	22.66%	N/A
Brinson 2003 Non-US Partnership Fund	1,809,198			21.45%	12.17%	2,278,105			8.27%	1,554,333			0.00%	21.45%	31.08%	8.89%	N/A
Brinson 2004 Non-US Partnership Fund	671,036			-0.77%	0.00%	672,240			-0.77%	677,360			0.00%	-0.77%	24.56%	N/A	N/A
Brinson BVCF IV	8,939,696			9.17%	-0.07%	9,400,307			9.25%	8,603,126			0.00%	9.17%	31.35%	19.07%	0.41%
Adams Street Direct Co-investment Fund	1,082,945			N/A	N/A				N/A				N/A	N/A	N/A	N/A	N/A
Matlin Patterson Global Opportunities	6,488,457			-5.52%	0.00%	6,500,099			-5.52%	6,879,135			0.00%	-5.52%	-11.68%	26.48%	N/A
Matlin Patterson Global Opportunities II	11,933,876			0.71%	0.00%	11,955,288			0.71%	11,868,998			0.00%	0.71%	-0.85%	N/A	N/A
InvestAmerica	3,078,868			30.21%	30.21%	2,074,450			0.00%	2,074,150			0.00%	30.21%	0.00%	-9.20%	N/A
Hearthstone MSII	74,489			0.00%	0.00%	370,285			0.00%	0			0.00%	0.00%	-100.00%	-100.00%	-100.00%
Hearthstone MSIII	174,008			38.24%	0.00%	1,878,699			0.00%	1,878,428			38.24%	38.24%	59.61%	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS (6)</b>	71,287,401	4.2%	5.0%	6.15%	2.82%	70,844,892	4.3%	5.0%	2.44%	70,506,573	4.3%	5.0%	0.78%	6.15%	11.08%	10.37%	-2.92%
<b>CASH EQUIVALENTS</b>																	
Northern Trust STIF/STEP	15,413,369	0.9%	1.0%	1.34%	0.40%	24,269,669	1.5%	1.0%	0.46%	24,515,292	1.5%	1.0%	0.48%	1.34%	4.31%	2.64%	2.41%
90 Day T-Bill				1.33%	0.46%				0.44%				0.42%	1.33%	4.00%	2.37%	2.25%
<b>TOTAL FUND</b>	1,685,272,450	100.0%	100.0%	3.31%	1.38%	1,662,900,609	100.0%	100.0%	1.81%	1,636,786,452	100.0%	100.0%	0.09%	3.31%	12.00%	14.23%	7.93%
POLICY TARGET BENCHMARK				4.15%	1.45%				2.11%				0.54%	4.15%	10.07%	11.75%	6.64%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.

(3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.

(5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.